

FISCAL NOTE

Requested by Legislative Council

01/24/2005

Bill/Resolution No.: SB 2337

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$149,288	\$0	\$148,194	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2337 proposes to create a seven-member human rights commission with authority to investigate and study discriminatory practices within the state, issue publications and reports of investigations, formulate plans for the elimination of discrimination through education and other mean, intervene in racial religious, cultural, age and intergroup tensions or conflicts for the purpose of informal mediation using alternative dispute resolution techniques, and prepare annual reports.

Under the proposal, commissioners would not be compensated for their time, but would be entitled to reimbursement of their expenses. The primary fiscal impact of the bill relates to these costs plus the addition of an FTE to carry out the commission's work, as well as related administrative expenses.

The fiscal estimates provided in this note are based on the following assumptions:

- The commission would meet twice each month, once to conduct a general business meeting and once to carry out intervention and mediation activities (as provided for in item #7 under Powers & Duties);
- Including travel time, the general business meeting would encompass three days and the intervention/mediation-specific meeting would encompass two days;
- Administrative support functions for the commission would require one FTE; and
- All estimated costs relating to the commission are in addition to the current budget proposal for the Department of Labor.

The fiscal estimates provided here do not include any estimated costs for contract services or educational activities that the commission may engage in for the purposes of investigating and studying the existence, character, causes, and extent of discriminatory practices. . . and formulating plans for the elimination of discriminatory practices by educational or other means (as permitted in item #1 under Powers & Duties) or for issuing reports of investigations and research (as permitted in item #2 under Powers & Duties).

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No revenues are projected for SB 2337.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Estimated itemized expenses for SB 2337 are for the 2005-2007 biennium. The subsequent biennium is estimated as the total for the 2005-2007 biennium, minus \$1,500 for one-time, first-year equipment expenses, minus reduced costs for training new commissioners, plus two percent each year for estimated cost increases.

Meal reimbursement for Commissioners @ \$20 per day = \$16,800 in 2005-2007 biennium.(calculated at 5 days per month x 7 commissioners = 35 days per month or 840 days per biennium)

Lodging reimbursement for Commissioners @ \$45 per day + taxes = \$24,948 in 2005-2007 biennium. (calculated at 3 overnight stays per month at \$49.50 x 7 commissioners)

Mileage reimbursement for Commissioners @ \$0.31 per mile = \$26,040 in 2005-2007 biennium.(calculated at an estimate of 250 miles round trip per commissioner per meeting)

Mediation Training for Commissioners = \$7,000 (in 2005-2007 biennium) & (\$4,375 in 2007-2009 biennium)(calculated at \$875 for UND Conflict Resolution Center's alternative dispute resolution civil mediation training x 7 commissioners initially + allotment for turnover of 1 commissioner + 4 additional commissioners trained in 2007-2009 biennium (those whose terms expire in 2007 & 2008) + allotment for turnover of 1 additional commissioner)

Salaries & benefits for new FTE @ wage of \$2,000 per month = \$68,000 in 2005-2007 biennium. (includes compensation package recommendations re: salary increases, health insurance increases, etc.)

Estimated general administrative costs including IT and office equipment, telephone and data connections, printing, postage, copy costs, office supplies, and other miscellaneous operating expenses = \$6,500.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

None of the expenses estimated for SB 2337 are presently accounted for in the executive budget recommendation. All estimated expenditures would require new general fund appropriation.

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